

TRANSPORTATION  
**SOLUTIONS**  
FOR THE REGION'S  
**GROWTH**

2008  
ANNUAL  
REPORT



METROPOLITAN WASHINGTON  
AIRPORTS AUTHORITY



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# TRANSPORTATION SOLUTIONS FOR THE REGION'S GROWTH

The Metropolitan Washington Airports Authority is committed to providing solutions for the region's transportation needs. The achievements and events of 2008 include continued development at our Airports, and an exciting new initiative—the Dulles Corridor Metrorail Project (Dulles Rail)—that will support and promote future economic growth.

## MAJOR HIGHLIGHTS AND ACHIEVEMENTS

### Regional Transportation

- The Airports Authority was granted full operational control of the Dulles Toll Road by the Virginia Department of Transportation.
- Dulles Rail received final approval from the U.S. Department of Transportation. The Airports Authority will manage the entire project's construction and funding.
- Work began on utility relocations along Routes 7 and 123 in Tysons Corner in preparation for construction of the rail line.

### Washington Dulles International

- The 15-gate Concourse B extension was completed.
- Work continued on the AeroTrain system, with all track and train cars in place.
- A fourth runway opened, along with a new fire and rescue station and other support systems.
- The Federal Inspection Station in Concourse C was completely renovated, doubling its capacity.
- The Airport set a new record for international passengers served. Work continued on expanding the Main Terminal International Arrivals Building.

### Reagan National

- The landside façade of Historic Terminal A was restored to its original 1941 appearance.
- Work began on expanding Parking Garages A and B/C to add more than 1,400 new spaces.
- Construction of the Public Safety Consolidated Center was nearly complete in preparation for its mid-2009 opening date.
- An expansion of the Corporate Office Building of the Airports Authority was completed.

### Business Operations

- The Airports Authority generated more than \$458 million in contracting activity for construction, and goods and services.
- Local Disadvantaged Business Enterprises (LDBE) received \$158 million, 35 percent of the total.
- Gross receipts from Airport concessions, excluding parking and rental cars, totaled \$289 million, with Airport Concession Disadvantaged Business Enterprises (ACDBE) accounting for 33 percent of the total.

### Public Safety Mutual Aid

- Legislation took effect that clarified how the Airports Authority may enter into mutual aid agreements with local, state, and federal governments in the region.
- This legislative action contributes to a seamless regional incident response system by providing protection from liability when Airports Authority public safety employees go to the aid of another jurisdiction.

### Police Department Accreditation

- The Airports Authority's Police Department received accreditation with the Virginia Law Enforcement Professional Standards Commission (VLEPSC), an achievement attained by less than 20 percent of law enforcement agencies in Virginia.

### Student Tours

- Student tours, which were suspended after September 2001, were resumed with the cooperation of the Transportation Security Administration (TSA), the airline community, and other Airport tenants.



Secretary of Transportation Ray LaHood executes the Full Funding Grant Agreement with Chairman H.R. Crawford for the Dulles Corridor Metrorail Project on March 10, 2009.

## LETTER FROM THE CHAIRMAN

On behalf of the Board of Directors, I am pleased to introduce the 2008 Annual Report of the Metropolitan Washington Airports Authority.

Although 2008 was a challenging year, the Airports Authority made significant progress in a number of areas:

- Opening a fourth runway and 15 new gates at Dulles International
- Restoration of Reagan National's Historic Terminal A
- Continued construction of the new AeroTrain at Dulles International, which is on schedule to open in the fall of 2009
- A new record of 6.2 million international passengers at Dulles International
- Diligent pursuit of the Full Funding Grant Agreement with the federal government for the construction of the first phase of Dulles Rail

Of the many things the Airports Authority has accomplished, one has special significance for the future of the region: On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred the operation of the Dulles Toll Road (DTR) to the Airports Authority. We have taken on operational and maintenance duties for the Dulles Toll Road, including setting future toll rates and overseeing physical improvements. Toll proceeds will be used to help fund Dulles Rail, where the Airports Authority will also manage construction and financing.

To achieve this outcome, the Board and Airports Authority staff worked hand in hand with local, state, and federal public officials and their staffs. Together, we facilitated transfer of the Dulles Toll Road to the Airports Authority and won approval of the financing plan for Dulles Rail. Construction on Dulles Rail began in March 2009.





I would like to acknowledge the support of former United States Secretary of Transportation Mary Peters and the Bush Administration; current United States Secretary of Transportation Ray LaHood and President Obama's Administration; Virginia Governor Timothy M. Kaine and his Administration; Senators Mark Warner and Jim Webb; Representatives Jim Moran, Gerry Connolly and Frank Wolf; former Senator John Warner; former Representative Tom Davis; and members of the Virginia General Assembly, who were all steadfast in their efforts to advance Dulles Rail. The Airports Authority particularly appreciates the cooperation of our Project partners and a host of outstanding local and regional community leaders, whose longstanding advocacy and grassroots enthusiasm continue to bring the vision of rail in the Dulles Corridor closer to reality.

A critical focus of the Board of Directors in 2008 was the financial health of the airlines, which directly impacts our business. There have been many factors and events that have negatively affected the air transportation industry in the past year, from soaring fuel costs in early 2008 to the general economic downturn in the second half of the year. In response to this environment, the Airports Authority continued efforts to diversify revenues, increase the number of air carriers using its Airports, and adhere to conservative fiscal principles. These initiatives produced positive results:

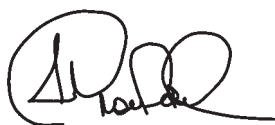
- Cost-containment measures resulted in a reduction of \$19.8 million in expenses for materials, equipment, supplies, and contract services. In September 2008, the Airports Authority revised the scope, timing, and size of certain capital projects, including deferring the construction of the Tier 2 Concourse at Dulles International and related facilities.
- Air service was added to 15 new cities, and two new carriers, Avianca and Cayman Airways, introduced new international destinations at Dulles International.
- The Airports Authority opened 10 new terminal concessions concepts at Reagan National and Dulles International Airports. During 2008, in-terminal concessions sales recorded a total of more than \$186 million, of which more than 45 percent was generated by minority and/or women entrepreneurs. Concession revenues increased \$6.2 million or 2.9 percent from 2007.
- Despite disruptions in the credit markets, the Airports Authority was successful in maintaining its high credit rating and its access to capital markets to fund development programs.

The Airports Authority staff deserves recognition for their exceptional performance during 2008. Their efforts, under the direction of our Senior Staff, enabled us to continue our progress under difficult economic circumstances.

As the gateways to our Nation's Capital, our Airports will continue to make customer service a top priority. Everyone at the Airports Authority is working to ensure that each passenger and visitor enjoys a safe, comfortable, and positive experience as they venture through Reagan National or Dulles International.

I hope you will enjoy the 2008 Annual Report.

Sincerely,



**The Honorable H.R. Crawford**  
*Chairman*



## LETTER FROM THE PRESIDENT AND EXECUTIVE VICE PRESIDENT

The past year has been a remarkable one for the Metropolitan Washington Airports Authority. In addition to making continued progress on construction activities at both Airports, the Airports Authority has recently assumed responsibility for a new and important task: constructing an extension of the regional rail system (Metro) from inside the Washington Beltway to Dulles International Airport and beyond.

Bringing rail to Dulles International has long been a part of our strategic vision, because our broader mission is to provide transportation solutions for the region. The new Metro extension will benefit not only those traveling to Dulles International, but also the countless commuters, shoppers, tourists, and others who travel throughout the Dulles Corridor. Giving the public a safe, convenient, and environmentally friendly alternative to the automobile will stimulate economic growth while helping to reduce both congestion and pollution.

After years of studies, discussions, and negotiations regarding Dulles Rail, all the pieces began to come together in 2008. In November, the Virginia Department of Transportation transferred operational control over the Dulles Toll Road to the Airports Authority. In addition to maintaining and improving the Toll Road, toll revenues will provide a basis of funding for Dulles Rail.

Shortly thereafter, the U.S. Department of Transportation gave its final approval for the first of two phases of Dulles Rail with the approval to enter final design. As this report was being prepared, U.S. Transportation Secretary Ray LaHood signed the agreement committing the federal government to fully funding its \$900 million share of the cost of constructing the rail line. We are very excited about making Dulles Rail a reality, providing yet another transportation solution



Secretary of Transportation Mary Peters speaks at the Fourth Runway opening at Washington Dulles International Airport on November 19, 2008.

for our region's growth. Based on our proven experience with the technical, financial, and legal aspects of complex construction initiatives over the past two decades, we are confident of our ability to deliver this important project to the region. We firmly believe that the Airports Authority is best equipped to guide this project to a successful completion, given the benefits to the region's economy and its transportation system.

The Airports Authority continued to make significant progress in the development of our two Airports. At Dulles International, we are nearing completion of the AeroTrain system, the centerpiece of our d2, Dulles Development Program. The AeroTrain will make using Dulles International a more enjoyable experience by speeding passengers to their terminals in a matter of seconds on quiet, rubber-tired train cars. We plan to initiate AeroTrain service in the fourth quarter of 2009.

AeroTrain testing is in progress as the system gets ready for operation in the fall of 2009.



A fourth runway at Dulles International opened in November, providing greater capacity for existing and future air operations. An expanded and renovated Federal Inspection Services Hall opened in Concourse C and welcomes international passengers who connect to domestic flights. Work continued on expanding the Main Terminal International Arrivals Building for the comfort and convenience of international passengers arriving in the National Capital Region.

At Reagan National, renovation work was completed on the façade of Historic Terminal A, restoring the Historic Terminal to its former beauty, while construction began on a new level for both parking garages to provide an additional 1,400 new parking spaces.

Even with the many challenges facing the economy in general and the air transportation industry in particular, Dulles International and Reagan National served a combined total of 41.9 million passengers in 2008. Although this figure represents a decline of 3.5 percent compared to 2007 totals, it still ranks as the fourth most active year in the Airports Authority's history.

Given the current economy, we are mindful that 2009 will place even greater financial pressures on our airlines, our concessions and business partners, and on the Airports Authority itself. During the past year, we have asked our employees to find ways to reduce costs while maintaining the high standards of service that our community, passengers, and business partners have come to expect. Their response to this challenge has shown the ingenuity and resourcefulness that are the marks of a great team. As we enter into what will most likely be another difficult year for the regional aviation industry, we know that the character and commitment of all our employees will make a vital difference in ensuring our long-term success.

Sincerely,

**James E. Bennett**  
*President and Chief Executive Officer*

**Margaret E. McKeough**  
*Executive Vice President and  
Chief Operating Officer*



# REGIONAL TRANSPORTATION SOLUTIONS FOR RAIL AND ROAD



Soon after Dulles International opened in 1962, the Federal Aviation Administration (FAA) master plan recommended a mass transit system that would run along the Dulles Access Road to link the Airport with Washington, D.C., and the communities in between—a bold concept for an airport then surrounded only by farms and woodland. Almost 50 years later, that original plan is finally becoming a reality.

## DULLES RAIL—A NEW ERA IN TRANSPORTATION BEGINS

The need is clear: Employment in the Dulles Corridor is projected to increase by 63 percent over the next 20 years, putting additional pressures on overburdened roadways. Tysons Corner is the largest employment center in Virginia, home to more than 120,000 jobs, and Reston/Herndon is the second largest employment center in the Commonwealth. On a comparative scale, the business community in Tysons Corner is larger than the central business districts of Miami, St. Louis, or San Diego.

The evolution and final approval of Dulles Rail has been a complex and lengthy process, involving county, state, and federal government lawmakers and agencies, business groups, community organizations, and private citizens. Several different development options and proposals were offered and considered before the final version was authorized.

The Airports Authority assumed responsibility for the project's construction and funding, with the Federal Transportation Administration stating that the Airports Authority has the "financial, legal, and technical capacity to lead the Dulles Rail Project."

The Airports Authority has executed a contract with Dulles Transit Partners, LLC, a joint venture of Bechtel Infrastructure, Inc., and the Washington Division of URS Corporation, to design and build the new line.



"If this is not the  
greatest day for  
Virginia, then I  
don't know what is."

**Ray LaHood,**  
Secretary, U.S. Department  
of Transportation

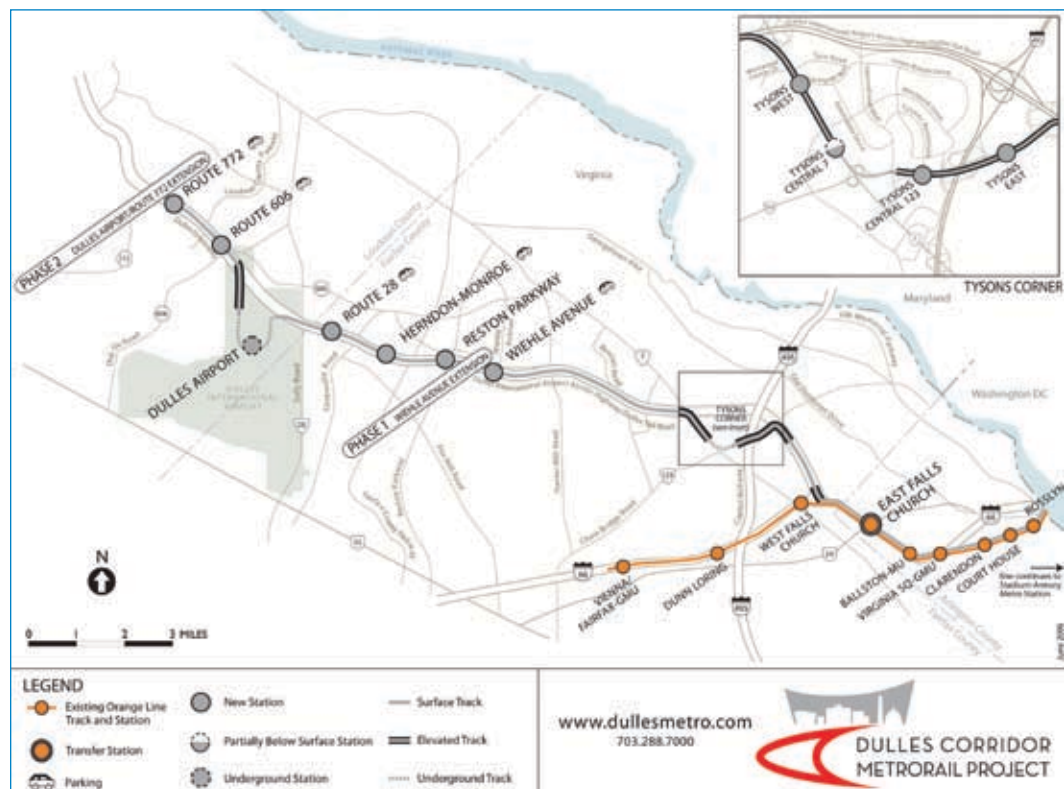
## AN OVERVIEW OF DULLES RAIL

Dulles Rail is a 23-mile extension of the Metrorail system, which will be completed in two phases. The first phase will begin at the existing East Falls Church station and end at Wiehle Avenue in Reston, with four stops in the Tysons Corner area. The projected cost of the 11.7-mile Phase 1 project is \$2.8 billion, with a scheduled completion date of 2013.

Phase 2, also with a preliminary budget of \$2.8 billion, will continue the line along the median of the Dulles Access Road through Reston and Herndon to the Main Terminal at Dulles International, and finally to Route 772 in Loudoun County's Ashburn area.

All Dulles Rail stations will be served by pedestrian bridges, escalators, and elevators, similar to most of Metrorail's existing stations. The planning for Dulles Rail ensures that it can be seamlessly integrated into the existing Metrorail system.

Dulles Rail will offer a new level of public transit and convenience not only to air travelers, but also to commuters, shoppers, and business people throughout the region, with ridership volume projected at up to 60,000 per day. The system will eventually provide rail access from Loudoun County and Dulles International to key areas such as Reston, Tysons Corner, and other Virginia destinations, as well as Washington, D.C., and suburban Maryland. The scope and impact of Dulles Rail extends far beyond Airport access, reaching to the core of economic strength and growth in the region.





## THE AIRPORTS AUTHORITY ASSUMES CONTROL OF THE DULLES TOLL ROAD

In November 2008, the Virginia Department of Transportation (VDOT) transferred responsibility for all aspects of the Dulles Toll Road to the Airports Authority, including daily operation, maintenance, and control. The Dulles Toll Road (Route 267) is a 13.4-mile, eight-lane limited access highway that extends from Tysons Corner to the Dulles Greenway in Loudoun County. The Toll Road runs parallel to, and provides connections with, the Dulles Access Road, which the Airports Authority already owns and maintains. By operating and maintaining both roadways, the Airports Authority should benefit from some economies of scale in the use of equipment and personnel.

As a part of the agreement with VDOT, the Airports Authority has stipulated that no toll adjustments are planned until at least 2010, and that public hearings will be held prior to any future changes regarding tolls. Further, no Toll Road revenues will be used to fund activities at either Reagan National or Dulles International. All revenues collected will be used to maintain and make Toll Road and other Dulles Corridor improvements, and to fund the new Dulles Rail system.

## DULLES RAIL PARTNERS

In addition to revenue derived from the Dulles Toll Road, funding for Dulles Rail will come from federal, state, and local sources. The federal portion will come from a Full Funding Grant Agreement of \$900 million issued by the Federal Transit Administration (FTA). Prior to this, Congress had appropriated more than \$252 million for the project.

Locally, commercial landowners in the Tysons Corner area of Fairfax County and along the Dulles Corridor have voluntarily created a special commercial tax district to fund the County's share of Phase 1. There is a \$400 million cap on the amount that can be raised through the tax district.

The Virginia Transportation Act of 2000 dedicated \$75 million to the project, with the remainder of the funding for Phase 1 coming from revenues generated by tolls on the Dulles Toll Road. The scheduling and budget for Phase 2 will be determined at a later date.





Utility relocation work began in early 2008 as the first step of Dulles Rail.

### **A Committed Partnership**

Dulles Rail involves many partner agencies and organizations, as well as the support and input of other groups and associations.

#### **Partners**

Metropolitan Washington Airports Authority  
Washington Metropolitan Area Transit Authority (WMATA)

Virginia Department of Rail and Public Transportation (DRPT)

Federal Transit Administration

Federal Aviation Administration

Virginia Department of Transportation

Fairfax County

Town of Herndon

Loudoun County

### **PHASE 1 HIGHLIGHTS**

In bringing the rail line through the middle of the densely populated Tysons Corner area, Phase 1 presents significant construction scheduling challenges to ensure that traffic flow and business access are impacted as minimally as possible, although some traffic delays are inevitable in a project of this scale. But the long-term benefits will be well worth any potential short-term inconvenience. As vehicular traffic continues to grow, there is already a critical need for mass transit in the region. This need will increase with future commercial and residential growth.

- In 2008, several companies began work on relocating utilities on Route 7 and Route 123 in the Tysons Corner area, along the path of the Dulles Rail alignment. Moving the utilities underground will enable other enhancements, such as the addition of sidewalks on both sides of the highways and the widening of Route 7 to four lanes in each direction.
- The rail line will be constructed mainly on an elevated track through Tysons Corner.
- The portion of the line through the intersection of Route 7 and Route 123 will be underground, through more than a third of a mile of tunnel.
- Pedestrian bridges will be installed at each station to provide safe access to both sides of the roadway.



WASHINGTON  
DULLES  
INTERNATIONAL  
AIRPORT



Launched in 2000, the Dulles Development Program, or *d2*, has steadily modernized and expanded Dulles International, remaking “the first airport built for the jet age” into one that is positioned to serve the next era of air travel. Every year of the *d2* program has shown progress and 2008 was no exception, with the completion of 19 significant projects and the start of an additional 10 projects.

## CONCOURSE B EXPANSION COMPLETED AS AIRLINES OCCUPY NEW GATES

2008 began with the completion of the new 15-gate Concourse B extension, and the immediate relocation of AirTran, JetBlue, and Virgin America to that facility. Later in the year, American and Delta also occupied gates in the Concourse B extension. In total, the expanded Concourse B serves 30 carriers, both domestic and international.

- Lufthansa Airlines and American Airlines were on schedule to open new Club facilities in Concourse B in early 2009.
- British Airways is completing plans to move its flights, Club area, and administrative offices to Concourse B. The airline will also be converting to the Airports Authority’s common use iMuse system on Concourse B and at its ticket counters.
- Qatar Airways is designing a Club facility.
- The Airports Authority notified Air France that construction will begin on gates B20/22 to support the new Airbus A380, the world’s largest passenger aircraft. Air France intends to launch A380 service at Dulles International in 2010.



The 15-gate extension on the west end of Concourse B opened at Washington Dulles International in January 2008.



## AEROTRAIN PREPARES FOR ITS DEBUT

The underground AeroTrain system will streamline and speed the way in which passengers are transported to and from the terminals and concourses. Extending more than three miles, the track system for the AeroTrain has been completed, and the entire fleet of 29 cars is in place at a new maintenance facility designed specifically to house and service the train cars. AeroTrain cars will attain speeds of up to 42 miles per hour, enabling them to travel between stations in just 72 seconds.

The AeroTrain will also change the character and layout of the Main Terminal itself. Currently, the Main Terminal has two levels: the upper Departures level, with ticket counters and security screening, and the lower Arrivals level, containing baggage claim and access to the parking lot and public transportation.

- The introduction of the AeroTrain will add two underground levels: one for a new and expanded security mezzanine, and below it, the Main Terminal's AeroTrain station.
- Once the security facilities have been moved and expanded, the upper Departures level will be returned to its original use as a ticket counter lobby, with shops and restaurants fully accessible to the public.
- The security mezzanines and the Main Terminal AeroTrain station were near completion and will be fitted with up to 32 new screening machines and other amenities. The A, B, and C Gates stations were also completed. The AeroTrain, which is now undergoing extensive testing, will begin operation in the fourth quarter of 2009, once the system is ready for operation.
- The current fleet of mobile lounges will continue to serve Concourse D and transport arriving international passengers to Federal Inspection Stations (FIS). They will also service aircraft parked away from the concourses.

## A NEW RUNWAY BRINGS ADDED CAPACITY AND SAFETY

On November 20, a multi-year construction project was completed when Dulles International opened its fourth runway, called 1L-19R. The new runway is 9,400 feet long and 150 feet wide, and includes high-speed exit taxiways, an instrument landing system, and additional lighting systems. It is the first new runway since the Airport's opening in 1962. As the Airport's third north-south runway, 1L-19R provides added capacity for current flight operations and positions the Airport for future growth.

## OTHER RUNWAY DEVELOPMENTS

Airport Surface Detection Equipment (ASDE-X) was installed in 2008. The new ASDE-X is a radar system that monitors the movement of all aircraft and ground equipment in the movement area, which includes all runways, parallel taxiways, and some cross taxiways.

The Federal Aviation Administration has already approved plans for the Airports Authority to construct a fifth runway parallel to the existing east-west Runway 12-30 on the south side of the Airport property. Construction of that runway will begin when the volume of air operations warrants further expansion.



## FIS RENOVATIONS IN CONCOURSE C

The \$14.5 million Federal Inspection Station (FIS) renovation in Concourse C was completed in December 2008. The new U.S. Customs and Border Protection area has 12 double booths with twice the queuing area.

- The baggage re-check area was expanded from seven X-ray machines to eight machines with the infrastructure to add two more in the future. The agricultural inspection equipment in the center of the corridor was relocated away from the public's view.
- The new TSA secondary screening area has seven lanes with the infrastructure to add one more lane, as well as increased queuing space. With these improvements, the throughput of the facility has doubled, from 600 passengers an hour to 1,200 passengers an hour.

## INTERNATIONAL ARRIVALS BUILDING EXPANSION CONTINUES

When completed, this project will add more than 100,000 square feet to the passenger processing area and will enable Customs and Border Protection to serve 2,400 passengers per hour—nearly double the current capacity of 1,400 per hour. These enhancements will reduce wait times and help to ensure that international passengers experience more comfortable and efficient processing upon arrival.



## SPEEDING FREQUENT TRAVELERS THROUGH SECURITY

No one likes to wait in line—especially those who travel frequently. To improve service and reduce waiting times for both seasoned and occasional travelers, three new initiatives were launched in 2008:

**Dulles Diamond:** These new lanes were introduced to provide expedited security screening for more experienced adult travelers, traveling alone. Users are allowed one carry-on item and must be prepared for screening (shoes off, liquids in plastic bags, etc.) when approaching the checkpoint. Use of the Dulles Diamond lanes also helps to reduce traffic at the main passenger screening area.

**CLEAR Program:** The Airports Authority awarded a contract to Verified Identity Pass, Inc., to operate the Registered Traveler CLEAR Program at both Airports. Passengers who enroll in the program must submit both biographic and biometric information and pay a fee. They are then eligible to use designated CLEAR lanes to speed them through security checkpoints and on to their flights at participating airports around the country.

**Global Entry:** In addition, U.S. Customs and Border Protection launched Global Entry, a new “trusted traveler” pilot program, at Dulles International. U.S. citizens who are accepted into the program can bypass the passport lines, going directly to a Global Entry kiosk, where fingerprint recognition technology verifies the traveler’s identity. Dulles International was one of seven U.S. airports selected for the pilot.



## INFRASTRUCTURE IMPROVEMENTS IN 2008

**Fire and Rescue Station:** A new station was constructed in conjunction with the development of the fourth runway to provide fast response for operations on that new runway. The station includes five equipment bays as well as administrative offices, a kitchen, locker rooms, and other amenities.

**Restrooms:** Design efforts have commenced for the renovation of six sets of restrooms in the Main Terminal at Dulles International, two on the Concourse Level and four on the Baggage Claim Level. The rehabilitation work will be phased to maintain ample restroom availability for passengers.

**Charging Stations:** Laptops and mobile communications devices are vital to today’s air travelers. To provide more convenient powering options, the Airports Authority installed a total of 35 Samsung charging stations in Concourses B, C, and D and at the Z Gates.

**Landside Pavement:** More than 50,000 square yards of pavement were resurfaced at Dulles International in both the parking lots and the roadways. In addition, 25,000 square yards of pavement were sealed and striped in the public parking Green Lot.

**Baggage Handling System:** In 2008, the four baggage make-up units located in the West Bag Basement were rehabilitated, with repairs and replacements made to the drive units, the stainless steel slope plates and trim, pallet wheels, finger guards, and bumper rails.

**Roadways:** Several roadway improvement projects to the Dulles Airport Access Highway were completed. These improvements included widening of roads, new interchanges, and improved roadway signage. Construction of all areas of these improvements was completed by April 2008 and successfully opened to traffic. The Greenway Ramp E, a ramp from the eastbound Greenway directly to the Airport, commenced construction in July 2008 and is ongoing, with completion scheduled for June 2009.

**Lift Net Conveyance Monitoring System (elevators, escalators, moving sidewalks):** The expansion of the Lift Net conveyance monitoring system was completed in September 2008. The Lift Net System now monitors the operations of 82 conveyance units (28 escalators, 14 moving walks, and 40 elevators) at Dulles International.

- The additional units consisted of 10 elevators and 10 escalators that service the FAA's new Air Traffic Control Tower (tower and office elevator), the South Finger (two elevators and two escalators), the Main Terminal (eight escalators and five elevators), and the International Arrivals Building (Customs elevator).



## CUSTOMER SERVICE IS KEY

A customer service survey was distributed to airline representatives to rate the major contractual services (custodial services, elevator/escalator maintenance, pest control, baggage handling system maintenance, and maintenance of monitors and displays) provided by the Maintenance Engineering Division at Dulles International. The survey results were compiled and analyzed, and the feedback will be considered when awarding future contracts.

The Dulles International Customer Service Focus Group continues to work closely with the Reagan National Customer Service Focus Group in developing specific items for a new video on customer service protocol. The production of a video will help all employees understand the importance of delivering high-quality customer service. Planned for implementation in 2009, this video will be viewed by all employees possessing an Airport ID badge and will help support their companies' customer service efforts.

## STUDENT TOURS OF THE AIRPORTS

The Airports Authority introduced three new and enhanced student tours in 2008 with the cooperation of the airlines, the TSA, and other Airport partners at Reagan National and Dulles International. Available year round, these educational offerings give local students a better understanding of airports and air travel, while inspiring future interest in the aviation industry.

*The Path of a Passenger Tour* teaches younger students the basics of using an airport. *The Safety and Security Tour* includes a visit to an airport fire and rescue station and a demonstration by a K-9 explosives detection team. *The Aviation Tour* gives high school students new insights into how an airport operates, and also reviews aviation career options.

## AIR SERVICE

In the past year, airlines serving Dulles International initiated 122 new domestic and international flights weekly, including 15 new cities and two new countries, totaling more than 12,000 new seats per week. The expanded services included two new air carriers.



### International

- In January, United Airlines expanded its existing service to Kuwait City to daily flights. In October, United added new daily service to Dubai, U.A.E.
- In June, Dulles International welcomed a new carrier, Avianca, which launched service to Bogota, Columbia.
- In December, Korean Airlines increased its service to Seoul to seven flights per week, while JetBlue announced new service to San Juan, Puerto Rico and Cancun, Mexico. New carrier Cayman Airways announced two weekly flights to the Cayman Islands.

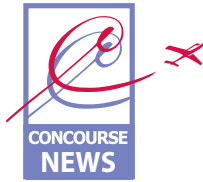
### Domestic

- United Airlines launched seasonal service to Tucson, while United Express introduced new service to Bradford, Altoona, and Johnstown, Pennsylvania; to the West Virginia cities of Parkersburg, Clarksburg, Morgantown, and Beckley; to Jamestown, New York; and to Virginia's Shenandoah Valley.
- JetBlue initiated service to Burbank, California with 14 weekly flights, and to Fort Myers, Florida with daily service.



## NEW CONCESSIONS CONCEPTS

Several new retail and food and beverage concessions concepts and locations opened in Concourse B during 2008. These included:



*Max & Erma's*

**FIVE GUYS®**  
FAMOUS  
BURGERS and FRIES



Food and beverage sales per enplaned passenger averaged \$5.16 in 2008, an increase of 8.9 percent over 2007. Retail sales per passenger averaged \$3.59, an increase of 2.0 percent.





RONALD REAGAN  
WASHINGTON  
NATIONAL  
AIRPORT



Reagan National attracted 18.0 million passengers in 2008, down 3.5 percent from the previous year. However, total flight operations at Reagan National actually increased by 0.7 percent to 277,298. Reagan National's Capital Construction program activity totaled \$33.7 million for the year, with four major construction projects completed and two new projects initiated in 2008.

### TERMINAL A RESTORATION COMPLETED

An 18-month project to restore the landside façade of Historic Terminal A to its original 1941 appearance was completed in November. The restoration included painting, concrete surface repairs, and a more extensive process to restore and strengthen the concrete foundation and walls, which had shown signs of deterioration since their construction more than 65 years ago. The project also included the replacement and restoration of the original 1941 windows. A similar restoration process was completed on the airside façade of Terminal A several years ago.

### PARKING GARAGE EXPANSION

Work has begun to add a fifth level to the existing parking garages A and B/C. The work will be performed in phases to minimize the impact of construction on the existing parking. When completed in 2010, the \$54 million project will add 1,424 new parking spaces, bringing the total garage parking to more than 6,600 spaces. A satellite lot was opened, providing 600 overflow parking spaces to accommodate travelers while construction is ongoing.

### CORPORATE OFFICE BUILDING ADDITION

The Airports Authority also completed a two-story expansion of Reagan National's Corporate Office Building. The expansion provides additional workspace, conference rooms, and storage areas, as well as a pedestrian connector bridge to Hangar 11 to make that space even more accessible.



## INFRASTRUCTURE IMPROVEMENTS IN 2008

**Communications Center:** Construction of the new Public Safety Consolidated Communications Center was completed in December at Reagan National in preparation for its opening date of summer 2009, following onsite training and equipment installation. The facility will provide a centralized location for dispatching police and fire/rescue resources from both Airports, as well as an emergency operations center. One of the facility's first scheduled activities was in providing communications support during the 2009 Presidential Inauguration.

**Fire and Rescue Station:** A new station opened at Reagan National, replacing an existing station that was subsequently demolished to make room for additional aircraft parking. The new station includes five equipment bays, administrative offices, a kitchen, locker rooms, and other amenities.

**Restrooms:** In an ongoing initiative to deliver superior customer service, all restrooms were renovated in Terminal A, and six sets of restrooms were renovated in Terminal B/C.

**USO Lounge:** A new lounge for active-duty servicemen and women and their families opened in March 2008 and has become an immediate success, with the number of visitors doubling from the previous year.

**Monitors and Displays:** New multi-user flight information display (MUFID) monitors were installed in all terminals, and new baggage information display (BIDS) flat screen monitors were installed in Terminal A.

**Security:** New X-ray units were installed at all screening checkpoints, and a new Whole Body Imager was installed at the North Screening Checkpoint by the Transportation Security Administration.

## Reagan National Recognized for Excellence

Reagan National received a number of accolades from both media and industry sources in 2008.

- *Condé Nast Traveler* rated Reagan National as the third-best airport in the country, based on a poll of business travelers.
- J.D. Powers ranked the Airport in a tie for fourth as the best airport in the U.S.
- *Health* magazine named Reagan National the sixth healthiest airport in the country.
- Reagan National was also the recipient of two awards from *Airport Revenue News*. In the Medium Size Airport division, the Airport won awards for the "Best Concession Program Design" and "Airport with the Best Concessions Management Team."
- Airports Council International (ACI) ranked Reagan National "Best in Class" for restroom and terminal cleanliness.



## NEW CONCESSIONS CONCEPTS

Reagan National welcomed several new food and beverage concessions concepts and locations in 2008, including:



Other retail locations at Reagan National were renovated, including Borders Books, Pen and Prose, Starbucks, Hudson News, and Euro Café.

Food and beverage sales at Reagan National averaged \$5.36 per enplaned passenger, an increase of 7.6 percent over 2007, while retail sales averaged \$3.73, an increase of 4.4 percent.



## FAMED AIRMEN HONORED

In February, the Airports Authority welcomed members of the famed Tuskegee Airmen to Reagan National for a panel discussion as a part of the Airports Authority's Black History Month celebration. In March, a photographic exhibit honoring the accomplishments of the Tuskegee Airmen was put on display in Historic Terminal A.

## NEW CARGO CARRIER

Reagan National welcomed Federal Express, which initiated cargo operations in July. The addition of FedEx helped Reagan National increase its cargo tonnage by 32 percent compared to 2007.



TRANSPORTATION  
**SOLUTIONS**  
AND THE  
**ENVIRONMENT**



The Airports Authority has a long-standing and proven commitment to environmental stewardship through energy conservation, recycling, use of renewable resources, and numerous “green” initiatives in both construction and daily operations at the Airports. These principles will also guide the upcoming development and construction of Dulles Rail.

## ENVIRONMENTAL PROGRAMS AT THE AIRPORTS

**Green Team:** Airports Authority staff at both Reagan National and Dulles International work together to find and suggest ways to reduce energy consumption, promote recycling, improve air quality, and identify other projects that can be quickly implemented to reduce the Airports’ environmental impact.

**Recycling:** Both Reagan National and Dulles International expanded their recycling programs in 2008, while adding the airlines and other tenants as participants. The Airports began collecting plastics and aluminum cans in addition to paper; installed new dumpsters and compactors; and provided additional containers at convenient locations in all terminals and food concession areas. New concession requirements were also implemented to limit the use of Styrofoam containers. The results of these recycling efforts have been impressive. In 2008, the two Airports recycled a total of 1,603 tons of refuse, compared to 928 tons in 2007—an increase of 73 percent.

**Promoting Cleaner Transportation Alternatives:** The Airports Authority encourages the public to use environmentally friendly transportation alternatives such as Metrorail to Reagan National, Compressed Natural Gas (CNG) buses, Metropool and Vanpool options, and more. By significantly limiting mobile lounge trips at Dulles International, the AeroTrain will reduce exhaust emissions in transporting passengers to and from the terminals.

**LEED Silver Building:** The Airports Authority recently designed and constructed a LEED Silver building for the relocation of the National Oceanographic and Atmospheric Administration (NOAA) facilities to allow for construction of the Fourth Runway at Dulles International.

## OTHER CURRENT AIRPORT INITIATIVES:

- Purchasing hybrid vehicles to reduce fuel consumption
- Utility building upgrades
- Asbestos, lead, and mold remediation
- Contaminated water remediation
- Wetlands replacement
- Water quality Best Management Practices
- Fuel farm replacement and leak detection
- Deicing fluid control

Future programs will include a complete energy audit of the two Airports, and the exploration of partnerships in the areas of electric vehicles, bio-fuels, and solar power, among other technologies.





## A GREEN RUNWAY AT DULLES INTERNATIONAL

A storm water management system was designed and built in conjunction with Dulles International's new fourth runway and its associated taxiways and service roads. This system incorporates a Low-Impact Development concept that minimizes runoff and the construction of five Biological Treatment Units (BTUs) along the new runway.

- Runoff is filtered naturally through a combination of sand, stone, soil, and special surface vegetation, along with a complex system of collection and distribution pipes.
- Environmental benefits include a reduction in the amount of phosphorus and other potential pollutants.

Surrounding waterways will experience less oxygen depletion as a result of this innovative drainage and treatment system. Monitoring and sampling of the BTUs is performed to verify the degree of treatment by the units.

## DULLES RAIL AND THE ENVIRONMENT

Building Dulles Rail along a heavily populated corridor brings numerous environmental challenges. Since the earliest environmental impact studies on the entire 23-mile corridor, the Dulles Rail project team has carefully followed federal, state, and local requirements and sought out expert advice to ensure that the project is environmentally friendly. The following activities provide just a few examples of the Airports Authority's strong environmental focus:

- To reduce the effects of noise during and after construction, extensive testing was done along the corridor to determine ambient and future noise levels. Environmental engineers monitor noise levels at construction sites and mitigate problems as they arise. All work adheres to the requirements of Fairfax County's noise ordinance.
- To minimize noise when the rail line is completed, parapet walls will line many stretches of the tracks.
- Following state and local regulations on erosion and sediment controls, the project will manage dust created by construction using street sweepers, weather monitors to help schedule work, and water trucks. The project maximizes the reuse of disturbed soils and employs soil-testing procedures. When construction is completed, disturbed areas will be replanted with native species.
- Storm water management procedures are tailored to meet the needs of different sites and use a variety of techniques, including water quality inlets, known as Filterra, and on- and off-site storm water detention ponds and rain gardens.



## DULLES RAIL AND THE ENVIRONMENT *(continued)*

- Before trees and shrubs are cleared, a team headed by a wildlife biologist walks sites looking for bird nests. Clearings are scheduled around bird migration patterns and are not allowed during the spring nesting season.
- Vegetation clearings are restricted to only what is absolutely necessary, and every effort is being made to preserve tree buffers. Turtles and other wildlife in the construction areas are being relocated to more friendly locations.
- Dulles Rail will help to remove thousands of vehicles from the existing roadways, thereby reducing carbon monoxide production, reducing smog and greenhouse gases, and conserving energy. Given these benefits, Dulles Rail itself is a “green” project.

## GREEN FACTS ABOUT DULLES RAIL CONSTRUCTION

- The steel being used has a 25-35 percent recycled content.
- Energy-saving fluorescent bulbs will be used in tunnel areas, service rooms, and pedestrian bridges.
- LED lighting will be used in handrails. This long-lasting lighting is also up to 10 times more energy-efficient than incandescent lights.
- Platform level lighting is capable of future conversion to LED.
- Energy consumption monitors will be used.
- Site lighting systems will control light pollution. Fairfax County limits on light pollution will be followed.
- Redirected runoff systems and rain gardens will be used to control water flow and provide irrigation as part of landscaping.
- Skylights and glazed windows will be used to maximize natural light.
- Recycling will result in fewer materials being sent to landfills.





# FINANCIAL SECTION

2008  
ANNUAL  
REPORT



## FINANCIAL SUMMARY Fiscal Years Ended December 31, 2008 – 2004

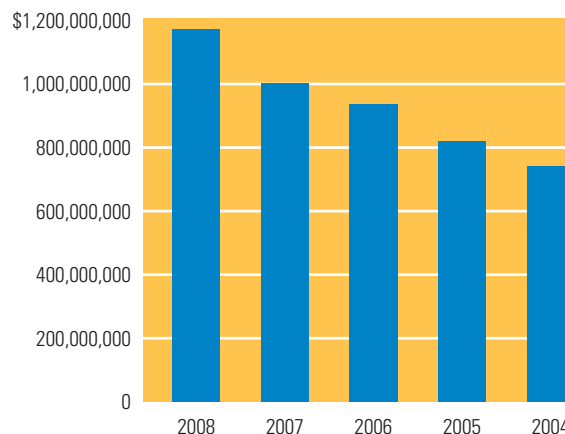
## Combined Aviation Enterprise Fund and Dulles Corridor Enterprise Fund

	2008	2007	2006	2005	2004
<b>OPERATING REVENUES</b>					
Concessions	\$ 223,710,732	\$ 217,486,823	\$ 199,011,305	\$ 198,691,232	\$ 173,962,671
Tolls	10,416,498	—	—	—	—
Rents	171,331,285	167,301,027	156,164,079	153,865,079	143,389,783
Design fees	20,363,189	—	—	—	—
Landing fees	82,289,545	78,682,496	73,375,458	76,359,090	76,274,293
Utility sales	13,348,545	11,778,736	11,248,988	10,934,616	12,035,206
Passenger fees	28,354,142	28,684,113	25,474,908	26,973,143	29,474,743
Other	11,547,405	6,542,935	5,893,899	10,398,536	7,149,375
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 561,361,341</b>	<b>\$ 510,476,130</b>	<b>\$ 471,168,637</b>	<b>\$ 477,221,696</b>	<b>\$ 442,286,071</b>
<b>NON-OPERATING REVENUES</b>					
Investment income	\$ 37,991,818	\$ 55,557,746	\$ 45,035,158	\$ 20,194,481	\$ 10,385,775
Unrealized income	—	—	—	6,062,129	1,601,347
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 37,991,818</b>	<b>\$ 55,557,746</b>	<b>\$ 45,035,158</b>	<b>\$ 26,256,610</b>	<b>\$ 11,987,122</b>
<b>TOTAL REVENUES</b>	<b>\$ 599,353,159</b>	<b>\$ 566,033,876</b>	<b>\$ 516,203,795</b>	<b>\$ 503,478,306</b>	<b>\$ 454,273,193</b>
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>\$ 439,833,632</b>	<b>\$ 118,674,180</b>	<b>\$ 136,960,753</b>	<b>\$ 100,054,076</b>	<b>\$ 104,787,341</b>
<b>OPERATING EXPENSES</b>					
Materials, equipment, supplies, contract services, and other	\$ 172,282,360	\$ 182,096,091	\$ 151,009,792	\$ 142,107,372	\$ 130,127,540
Impairment loss/design costs	66,170,165	—	—	—	—
Salaries and related benefits	136,720,660	128,465,267	113,870,907	113,878,086	98,858,597
Utilities	25,402,257	21,134,317	20,359,248	21,493,887	18,754,511
Lease from U.S. Government	4,958,280	4,830,121	4,689,858	4,505,435	4,375,347
Depreciation and amortization	160,264,966	142,030,354	133,106,378	132,424,537	126,177,767
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 565,798,688</b>	<b>\$ 478,556,150</b>	<b>\$ 423,036,183</b>	<b>\$ 414,409,317</b>	<b>\$ 378,293,762</b>
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 304,125,538</b>	<b>\$ 140,080,587</b>	<b>\$ 113,598,483</b>	<b>\$ 109,914,715</b>	<b>\$ 94,555,823</b>
<b>TOTAL EXPENSES</b>	<b>\$ 869,924,226</b>	<b>\$ 618,636,737</b>	<b>\$ 536,634,666</b>	<b>\$ 524,324,032</b>	<b>\$ 472,849,585</b>
<b>INCREASE IN NET ASSETS</b>	<b>\$ 169,262,565</b>	<b>\$ 66,071,319</b>	<b>\$ 116,529,882</b>	<b>\$ 79,208,350</b>	<b>\$ 86,210,949</b>
<b>TOTAL NET ASSETS</b>	<b>\$ 1,172,231,389</b>	<b>\$ 1,002,968,824</b>	<b>\$ 936,897,505</b>	<b>\$ 820,367,623</b>	<b>\$ 741,159,273</b>

This report presents selected financial information of the Metropolitan Washington Airports Authority (the Airports Authority) only. This report is not intended to be a Comprehensive Annual Financial Report (CAFR) presented in accordance with Generally Accepted Accounting Principles (GAAP). The financial data presented is derived from the 2008 CAFR and is consistent with GAAP. The Airports Authority has issued separately the 2008 CAFR, which is prepared in conformance with GAAP and includes more detailed financial information. A copy of the CAFR is available on the Airports Authority's Web site at [www.mwaa.com](http://www.mwaa.com) or may be obtained by contacting the Office of Finance at the Metropolitan Washington Airports Authority, 1 Aviation Circle, Washington, D.C. 20001-6000, 703.417.8700.

This report is being submitted to the Government Finance Officers Association (GFOA) for consideration of the Award for Outstanding Achievement in Popular Annual Financial Reporting. The goal of the GFOA program is not to replace reports prepared in conformity with GAAP, but to supplement such reports so as to make the information they contain more readily accessible to a broader audience than that served by traditional financial reporting.

## TOTAL NET ASSETS



## FINANCIAL HIGHLIGHTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

Effective November 1, 2008, the Airports Authority's financial statements account for two Enterprise Funds. In addition to the Aviation Enterprise Fund, which has traditionally included all Airport related activities and programs, the Airports Authority has added the Dulles Corridor Enterprise Fund to account for operation and maintenance of the Dulles Toll Road and construction of the Dulles Corridor Metrorail Project from the vicinity of West Falls Church to Route 772 in Loudoun County.

### AVIATION ENTERPRISE FUND—OPERATING REVENUES

The overall activity results of 2008 reflect the general slowdown experienced this year in the economy. The Airports recorded \$550.9 million in operating revenues for 2008. This was a total increase from 2007 of \$40.5 million. The Airports Authority's revenues are primarily derived from rents and charges for the use of the Airport's facilities, including landing fees received from both Signatory and non-Signatory Airlines using the Airports, and concession contracts at the Airports, including off-airport rental car operations. Concessions historically have accounted for a substantial portion of the Airports Authority's revenues.

#### Airline Revenues

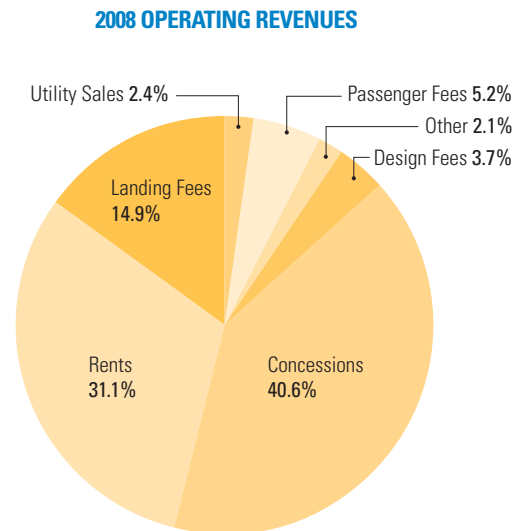
In 2008, airline revenues, which consist of landing fees, terminal rents, and passenger fees, increased \$4.6 million from 2007, principally related to the increase in some of the rates at the Airports, the addition of new space in Concourse B at Dulles International, and some additional airlines. Landing fees increased \$3.6 million to \$82.3 million, or 4.6%. Rent revenue increased \$4.0 million, a 2.4% increase from 2007. Passenger fees, including fees paid by the Transportation Security Administration (TSA) decreased \$0.3 million, or 1.2%, as a result of the decreased passenger traffic at Dulles International offset by an increase in airline rates. In June 2008, the Airports Authority ceased all design work on the Tier 2 Concourse and related facilities. In conjunction with the cessation of the work on the Tier 2 Concourse and related facilities, the Airports Authority recognized the \$20.4 million as design fees revenue in the Airports Authority's Statements of Revenues, Expenses, and Changes in Net Assets.

#### Concession Revenues

In 2008, the Airports Authority's concession revenues increased \$6.2 million, or 2.9%, from 2007 and accounted for 40.6% of total operating revenues, down from 2007 by 2.0%. Parking revenue still ranks as the largest concession, providing \$115.1 million in total revenues for 2008. This is a decrease of \$1.4 million from last year and reflects the general decrease in passenger traffic. Rental car revenue of \$35.9 million increased \$1.5 million from 2007. Ground transportation revenues of \$6.4 million increased by \$1.6 million. New revenues in 2008 of \$0.5 million were earned at the Airports for the new Registered Traveler Program, and other areas of concession revenue increased \$4.0 million.

Concession revenues at Reagan National increased in total by \$1.8 million. Parking revenue decreased \$0.6 million from 2007. The parking garages at Reagan National experienced a slight drop in average occupancy from 87.8% in 2006 to 83.8% in 2007 to 82.9% in 2008. Parking rates were increased in June 2008. Four new concessions, National Airport Grill, Mayorga Coffee, Einstein Bagel, and Auntie Anne's produced \$2.2 million in gross sales for 2008. There were no new retail openings in 2008.

Concession revenues at Dulles International increased \$4.4 million from 2007. In 2008, parking revenue was \$71.1 million, a decrease of \$0.8 million from 2007. Overall activity for public parking decreased 7.6% in 2008 compared to 2007. Total parking revenue decreased only 1.2% due to rate increases and changes to the rate structure that went into effect June 1, 2008. Food and beverage revenue increased 6.8% over 2007, to \$8.7 million, due to the addition of several food and beverage facilities and new tenants.





## AVIATION ENTERPRISE FUND—OPERATING EXPENSES

Operating expenses for the Aviation Enterprise Fund, for the fiscal year ended December 31, 2008, were \$555.5 million, an increase of \$77.0 million, or 16.1%, over 2007. Depreciation and amortization expense in 2008 was \$160.3 million. This is an increase of \$18.2 million from 2007.

In 2008, the Airports Authority recognized a one-time transaction to record a write-off of design costs associated with the Tier 2 Concourse. All design work was ceased, and the Airports Authority recorded \$66.2 million in impairment losses as period expenses in 2008.

In the spring of 2008, the Airports Authority put in place budget constraints reducing the authorization for the annual budget expenditures to 95.0% of non-personnel expenses for Reagan National, 97.0% of non-personnel expenses for Dulles International, and 90.0% of non-personnel expenses for all other offices. Overtime was reduced by a minimum of 10.0%.

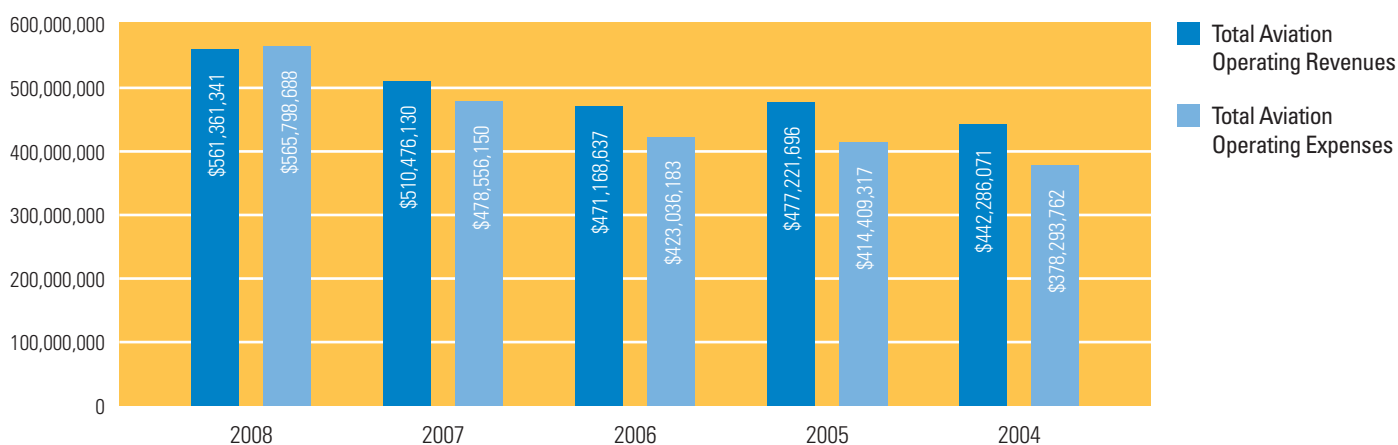
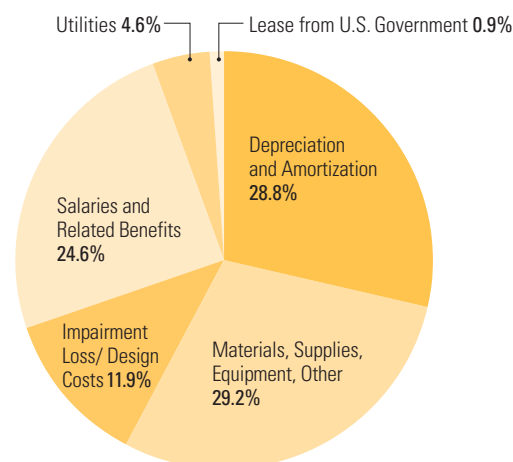
As a result of these cost containment measures, materials, equipment, supplies, contract services and other is the largest expenditure area, closing the year \$19.8 million less than 2007. The 2008 expenses reflect the one-time reduction of \$7.2 million in previously recorded expenses to be repaid to the Aviation Enterprise Fund from the DCE Fund for costs incurred to-date associated with the pursuit and transfer of the DTR and Metrorail Project. The Airports Authority continued its process of implementing a new Enterprise Resource Planning (ERP) system and expended \$2.0 million towards this system in 2008.

The Airports Authority saw relatively few snow events in the last quarter of 2008 and saw a \$1.0 million drop in the cost of snow supplies in 2008. Expenditures for the maintenance of parking lots, buildings, and other general areas were reduced 17.3% in the budget constraints and dropped \$2.4 million from 2007. In 2007, the Airports Authority sponsored the American Association of Airport Executives (AAAE) convention, which cost approximately \$675 thousand. The Airports Authority also scaled back its advertising program, reducing costs from 2007 by \$1.2 million.

The Airports Authority's utility expenditures for 2008 were \$25.4 million, an increase of \$4.3 million from 2007, due to escalating costs of fuel prices throughout the world.

Salaries and related benefits expenses of \$136.5 million resulted in an increase of \$8.0 million from 2007. Health insurance expenses increased \$3.0 million from last year and regular salaries increased \$7.6 million from 2007. Overtime was reduced in 2008 by \$2.5 million and special program employee expenses were reduced by \$1.0 million.

2008 OPERATING EXPENSES



## DULLES CORRIDOR ENTERPRISE FUND— OPERATING REVENUES

On November 1, 2008, VDOT transferred responsibility for the operation and maintenance of the DTR to the Airports Authority for an initial term of 50 years. As part of its agreement with the Commonwealth, the Airports Authority will construct the Dulles Corridor Metrorail Project from the vicinity of West Falls Church to Route 772 in Loudoun County, and will make other improvements in the Dulles Corridor consistent with VDOT and regional plans. These two functions operate as a single Business-Type Activity and are reported in the DCE Fund.

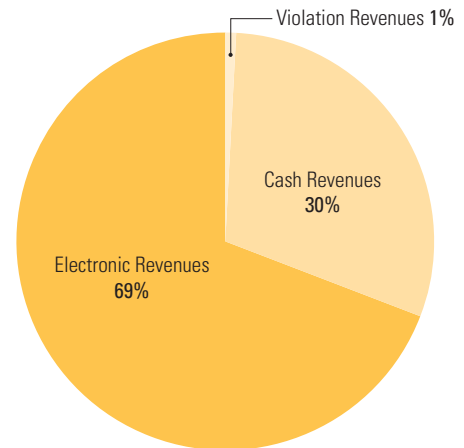
For November and December 2008, the Airports Authority recorded Automated Vehicle Identification (AVI) or electronic toll collections of \$7.1 million, cash collections of \$3.2 million, and violations revenues of \$108,800. AVI collections as a percent of total operating revenues were 68.6%.

## DULLES CORRIDOR ENTERPRISE FUND— OPERATING EXPENSES

The DCE Fund recorded \$10.2 million in operating expenses from the date of transfer, November 1, 2008, to the end of the reporting period. Materials, equipment, supplies, contract services, and other includes \$7.2 million in expenses to be repaid to the Aviation Enterprise Fund from the DCE Fund for costs incurred to-date associated with the pursuit and transfer of the DTR and Dulles Corridor Metrorail Project. Operating expenses also include \$788,496 in electronic toll collection fees paid to the processor of the AVI transactions. In addition, the Airports Authority has contracted with VDOT to continue to operate the DTR for an extended period. These costs of \$1.5 million are included in materials, equipment, supplies, contract services, and other for 2008.

Salaries and related benefits reflect an allocation of payroll and benefits costs of Aviation Enterprise Fund employees who expended time on the operations of the DTR and the Dulles Corridor Metrorail Project. These generally include employees assigned to the Airports Authority-wide functions such as finance, human resources, procurement, and engineering.

## 2008 COLLECTIONS AND VIOLATIONS



DCE Operating Revenues	Fiscal Year Ended December 31, 2008
Cash revenues	\$ 3,166,176
AVI revenues	7,141,495
Violation revenues	108,827
<b>Total tolls and other</b>	<b>\$ 10,416,498</b>

DCE Operating Expenses	Fiscal Year Ended December 31, 2008
Materials, supplies, equipment, contract services, and other	\$ 10,028,145
Salaries and related benefits	212,627
Depreciation and amortization	8,204
<b>Total</b>	<b>\$ 10,248,976</b>

## BOARD OF DIRECTORS



The Honorable  
H.R. Crawford  
*Chairman*



Mame Reiley  
*Immediate Past  
Chairman*



Charles D. Snelling  
*Vice Chairman*



James L. Banks, Jr.



Robert Clarke Brown



The Honorable  
William W. Cobey, Jr.



Anne Crossman



Mamadi Diané



Michael David Epstein



Jack Andrew Garson<sup>1</sup>



Weldon H. Latham<sup>2</sup>



Leonard Manning



Michael L. O'Reilly



The Honorable  
David G. Speck

<sup>1</sup> Appointed by Governor O'Malley, December 24, 2008

<sup>2</sup> Term expired November 30, 2008; served until December 24, 2008



## MANAGEMENT

**James E. Bennett**

President and Chief Executive Officer

**Margaret E. McKeough**

Executive Vice President and Chief Operating Officer

**Quince T. Brinkley, Jr.<sup>1</sup>**

Vice President and Secretary

**Steven C. Baker**

Vice President for Business Administration

**Christopher U. Browne**

Vice President and Airport Manager  
Washington Dulles International

**George R. Ellis**

Vice President for Information and  
Telecommunications Systems

**E. Lynn Hampton**

Vice President for Finance and  
Chief Financial Officer

**Frank D. Holly, Jr.**

Vice President for Engineering

**Valerie Holt**

Vice President for Audit

**J. Paul Malandrino, Jr.**

Vice President and Airport Manager  
Ronald Reagan Washington National

**Philip Sunderland<sup>2</sup>**

Vice President and General Counsel

**Elmer H. Tippet, Jr.**

Vice President for Public Safety

**Mark Treadaway**

Vice President for Air Service  
Planning and Development, and  
Acting Vice President for Communications

**Arl B. Williams**

Vice President for Human Resources

<sup>1</sup> Effective June 30, 2008.

<sup>2</sup> Effective April 2, 2008.

The Metropolitan Washington Airport Authority saved the following resources by using New Leaf Primavera Silk, made with 80% recycled fiber and 60% post-consumer waste, elemental chlorine free, and manufactured with electricity that is offset with Green-e<sup>®</sup> certified renewable energy certificates:

**23 fully grown trees**

**10,547 gallons of water**

**15 million Btu of energy**

**1,134 pounds of solid waste**

**2,518 pounds of greenhouse gases**

Calculations based on research by Environmental Defense Fund and other members of the Paper Task Force.

